

Department of Justice

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JUSTICE DEPARTMENT ISSUES BUSINESS REVIEW LETTER

WASHINGTON, D.C. -- The Department of Justice announced today that it does not intend to challenge under the antitrust laws the proposal by the Colorado Asphalt Producers Association (CAPA) to initiate an asphalt industry advancement program to engage in the research and development of a better asphalt product and to promote the advantages of asphalt cement.

CAPA members are engaged in the production of asphalt cement and in the construction of roads and highways using asphalt cement in Colorado.

The Department's position was stated in a business review letter from John W. Clark, Acting Assistant Attorney General in charge of the Antitrust Division, to counsel for CAPA.

Clark said, "By helping to develop a better asphalt product, this program should enhance competition between concrete producers and asphalt producers in the construction of roads and highways. Moreover, there are adequate safeguards provided to ensure that the program will not facilitate antitrust violations."

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Beginning sometime in 1993 and extending over a five-year period, CAPA plans to initiate a new assessment methodology to collect a higher assessment from its members to fund the asphalt industry advancement program. Participation in the program is open to non-members of CAPA and is voluntary for CAPA members.

Under the Department's business review procedure, a person or organization may submit a proposed course of action to the Antitrust Division and receive a statement as to whether the Division will challenge the activity under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 3233, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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